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**Personnel Policies and Procedures Handbook
(Revised April 13, 2015)**



KAYENTA TOWNSHIP OFFICE

**PERSONNEL POLICIES
AND PROCEDURES HANDBOOK**

Revised April 13, 2015

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Welcome to the Kayenta Township.

On behalf of your colleagues, I welcome you and wish you every success here.

We believe that each employee contributes directly to our growth and success, and we hope you will take pride in being a member of our team.

This Handbook outlines the policies, programs, and benefits available to eligible employees. It was also developed to describe some of the expectations we have of our employees. The Personnel Policies and Procedures Handbook will answer many questions about employment with the Kayenta Township and I suggest that you familiarize yourself with its contents as soon as possible. Familiarization with this Handbook will help you to evaluate your job responsibilities and expectations.

We hope that your experience with the Township will be challenging, enjoyable, and rewarding.

Sincerely,

Andre Cordero
Township Manager

History of the Kayenta Township

At the request of the Kayenta Chapter, the Navajo Nation created the Kayenta Township Pilot Project in 1985, and in 1986 approximately 3,606.43 acres were withdrawn for the Township establishing its territorial boundaries. It is the only township formally established under Navajo Nation law.

In 1996, the Township amended its Plan of Operation to establish a five-member elected Commission to serve as its governing body. The Commission was given authority to administer the Project with jurisdiction over all planning for the area withdrawn for the Project. The Attorney General of the Navajo Nation issued an opinion in 1999 confirming that the Kayenta Township Commission had been delegated the authority to approve leases of Navajo trust lands located within the boundaries of the Kayenta Township. In 2003, the Navajo Nation Council amended the Plan of Operation for Kayenta Township to give it permanent status as a home rule municipality. In approving home rule status, the Council gave the Commission a broad grant of authority that is limited only by the generally applicable laws and regulations of the Navajo Nation and the federal government.

Governance

The Kayenta Township is governed by a five-member elected Commission. The Commission sets policies for the Township, enacts ordinances governing the Township, and selects, supervises, and evaluates the performance of the Town Manager, who reports directly to the Commission.

Day-to-day management authority of the Township is entrusted to the Town Manager. The several department managers report to the Town Manager. The current organization structure of the Township is shown in the attached Exhibit "A." The organizational structure may be amended from time to time in the discretion of the Commission, with input as deemed desirable from the Town Manager.

Introductory Statement

This Handbook was designed to acquaint you with the Kayenta Township and provide you with information about working conditions, employee benefits, and policies.

You should read, understand, and comply with all provisions of this Handbook. The Handbook describes many of your responsibilities as an employee and outlines the programs we have developed to benefit our employees. One of our objectives at the Kayenta Township is to provide a safe work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about every one of our policies. Further, there may be situations where the need arises for the Township to revise, add, or cancel policies.

The Kayenta Township Commission reserves the right to add new policies, and to change or cancel existing policies at any time. The policies contained in this Handbook supersede all prior personnel policies of the Kayenta Township Commission.

This Handbook is written to comply with applicable Navajo and federal laws, regulations, and policies. We will notify employees of any changes to the Handbook as they occur.

Employee Acknowledgment Form

The Personnel Policies and Procedures Handbook describes important information about the Kayenta Township and I understand that I should consult the Town Manager or his authorized delegate regarding any questions not answered in the Handbook.

Since the information, policies, and benefits described in the Handbook are subject to change as needed, I acknowledge that revisions to the Handbook may occur. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. I also understand that only the Kayenta Township Commission has the authority to adopt revisions to the policies in this Handbook.

Furthermore, I acknowledge that this Handbook is not intended to, and shall not be construed to, grant or reflect any contract of employment or property interest in or right to a job with the Kayenta Township. I have received the Handbook, and I understand that it is my responsibility to comply with the policies contained in this Handbook and any revisions made to it. I have read this Handbook and understand its contents.

EMPLOYEE NAME (printed):

EMPLOYEE's SIGNATURE:

DATE:

Employment Laws

Federal Employment Laws

As a political subdivision of the Navajo Nation, most federal employment laws do not apply to the Township. However, the Kayenta Township strives to make its employment decisions based on merit, qualifications, and abilities, subject to other requirements of Navajo law. In most cases, the Kayenta Township will also strive to honor policies underlying federal employment laws.

If an employee has a disability, that employee should inform his or her immediate supervisor of that disability, so that the Kayenta Township can determine if any accommodations are necessary and feasible. The Township will provide leaves of absence without pay for up to 12 weeks per year for the birth of adoption of a child, or for serious health conditions of an employee or a member of the employee's immediate family member, as defined by Policy No. 309. Female employees will not be fired or refused a job or promotion simply because she is pregnant, and cannot be forced to take a leave of absence while pregnant as long as she is able to work safely and productively.

Any new employee must complete the Employment Eligibility Verification Form I-9 and provide documents verifying identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 form with the Township within the past three years, or if their previous I-9 form is no longer available.

Navajo Preference in Employment Act

Kayenta Township complies with the Navajo Preference in Employment Act (NPEA), and includes Navajo employment preference policy statements in all job announcements. To the extent permitted by applicable law, the Kayenta Township gives preference in employment to enrolled Navajo Nation members and their spouses. When no tribal member or spouse meets the minimum qualification requirements of NPEA, a non-Navajo may be hired. Navajo subordinates will typically replace non-Navajo supervisors within three years if they meet the necessary qualifications; however, additional time may be given to Navajo subordinates to attain the necessary skills and abilities.

To qualify for Navajo preference, an applicant must provide an official, notarized copy of the BIA's "Certificate of Indian Blood" from the appropriate BIA agency with an authorized signature, or, for a spouse claiming Navajo preference, a copy of an official marriage license or certificate. A copy of the certificate or license will be a part of the employee's personnel file.

In the event of a reduction-in-force affecting any particular class of positions, any Employee who is an enrolled member of the Navajo Nation, or the spouse of an enrolled member of the Navajo Nation, shall have priority in their position until all non-Navajos

employed in that class of positions are laid off. Any Employee who is an enrolled member of the Navajo Nation, or a non-Navajo spouse who is laid off in compliance with this provision shall have the right to displace a non-Navajo in any other employment position for which the Navajo, or non-Navajo spouse employee is qualified.

The Kayenta Township does not subscribe to any seniority system. The Township offers a 401(k) plan to its employees, as well as health insurance.

Nature of Employment

This Handbook is intended to provide you with a general understanding of the personnel policies of the Kayenta Township and to answer many common questions. You are encouraged to review all the policies in this Handbook and become familiar with them.

However, this Handbook cannot anticipate every situation or answer every question about employment. This Handbook is also not an employment contract. Since employment at Kayenta Township is based on mutual consent, you have the right to end the employment relationship at any time, with or without cause or advance notice. For employees not employed under an employment contract, the NPEA requires just cause for disciplinary action, including involuntary termination of employment. However, to the extent that it is or may be permitted by applicable law, employment with Kayenta Township is "at will," unless an employee and the Township have entered into a contract of employment, which contract shall define the terms and conditions of such employment.

In order to retain necessary flexibility in the administration of policies and procedures, we reserve the right to change, revise, or eliminate any of the policies and/or benefits described in this Handbook. The only recognized revisions to the policies in this Handbook must be authorized and signed by the Town Manager of the Kayenta Township, upon adoption of such revisions by the Commission.

Employee Relations

The Township believes that the work conditions and benefits we offer to our employees are competitive with those offered by other employers in this area and in this industry. If you have concerns about work conditions or compensation, you are strongly encouraged to voice these concerns openly and directly to your supervisor.

Our experience has shown that when employees deal openly and directly with management, the work environment can be productive, communications can be clear, and attitudes can be positive.

Business Ethics and Conduct

The successful business operation and reputation of the Kayenta Township is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and

regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

Our continued success is dependent upon the public's trust and we are dedicated to preserving that trust. Employees owe a duty to the Township and the Kayenta Township Commission to act in ways that will merit the continued trust and confidence of the public.

Kayenta Township will comply with all applicable laws and regulations, including the Navajo Nation Ethics in Government Law, 2 N.N.C. § 3741, *et seq.* (2005), and we expect our Commissioners, officers, and employees to conduct business in accordance with all applicable laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, employees should find that using good judgment, based on high ethical principles, will be a guide to act appropriately. If an employee is unsure about the proper course of action, that employee should discuss the matter openly with his or her supervisor. If necessary, employees may also contact the Town Manager for advice and consultation.

It is the responsibility of every Township employee to comply with our policy of business ethics and conduct, and with the Navajo Nation Ethics in Government Law. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

Policy No. 104

Personal Relationships in the Workplace

For purposes of this Policy No. 104, the term "relative" includes father, mother, daughter, son, sister, brother, grandfather, grandmother, aunt, uncle, niece, nephew, husband, wife, stepfather, stepmother, stepdaughter, stepson, stepsister, stepbrother, mother-in-law, father-in-law, daughter-in-law, son-in-law, sister-in-law, and brother-in-law; and a "dating relationship" is defined as a relationship that may be reasonably expected to lead to the formation of a consensual romantic relationship. This policy applies to all employees regardless of gender or sexual orientation.

The employment of relatives or individuals involved in a dating relationship (collectively, for purposes of this Policy No. 104, "relatives") in an organization may cause serious conflicts and problems with favoritism and employee morale.

Nepotism/Favoritism

The employment of relatives may cause serious conflicts and problems with employee morale. Personal conflicts from outside the work environment can be carried into day to day working relationships. Relatives of current Township employees may not be hired within the same department. If a relative relationship is established after employment, the individuals involved will decide who is to be transferred. If that decision is not made within five calendar

days, the immediate supervisor will recommend who is to be transferred, with preference given to full-time employees.

Employees may not occupy a position working directly or indirectly for or supervising a relative. Employees may not be involved in dating relationships while working directly or indirectly together. Kayenta Township also reserves the right to take prompt disciplinary or other action if an actual or potential conflict of interest arises involving relatives or individuals involved in a dating relationship who occupy positions at any level (higher or lower) in the same line of authority that might affect employment decisions.

If two people who are in a reporting situation described above subsequently develop a relationship or dating relationship, both persons in the relationship are obligated to immediately disclose the existence of the relationship to management of either or both and the failure to make such disclosure shall constitute grounds for disciplinary action, up to and including termination. We will ask the individuals involved to decide which of them is to be transferred to another available position, or if no position for which either is qualified or available, which one of them will resign. If that decision is not made within five calendar days, Kayenta Township will decide who is to be transferred or, if appropriate, deemed to have resigned from employment.

If there is a situation where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, the employees may be separated by reassignment or terminated from employment. If an employee is in a close personal relationship with another employee, both employees must refrain from displays of affection or personal conversation while at work.

Policy No. 105

Employee Medical Examinations

After an offer of employment is made to an applicant, a medical pre-employment screening may be required for certain positions.

If a medical examination is required, it is to be performed by an outside health professional selected by Kayenta Township and will be designed to determine if an applicant can perform the duties of the position for which they are being considered. Any offer of employment and assignment of duties is contingent upon satisfactory completion of any required examinations. Drug testing of applicants and employees may be required in the Township's sole discretion. Drug testing is addressed separately under Policy No. 708 of this Handbook.

The Township considers information about medical conditions or history to be confidential and management will keep such information separate from other personnel information. Access to medical information is limited to the persons who have a legitimate need to know.

Conflicts of Interest

Employees of the Kayenta Township have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. In this policy, the Township is establishing the framework within which employees must operate. These guidelines are intended to provide general direction so that employees can get further clarification on areas that affect them. For more information or questions on conflict of interest, contact the Town Manager or your supervisor.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative (as defined in Policy No. 104, including a person in a dating relationship) as a result of business dealings with Kayenta Township.

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest or appearances of impropriety. Personal gain may result in cases where an employee or relative has a significant ownership in a firm doing business with the Township or where an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Kayenta Township.

Employees must not perform work as a consultant outside Kayenta Township when such employment would represent a potential or actual conflict of interest or appearance of impropriety and, in any event, may not do so without the advance express written permission of the Town Manager, which permission may be withheld in the sole discretion of the Town Manager. Consulting work is considered inappropriate when it would, among other things:

- Reveal a proprietary development or position of Kayenta Township.
- Reveal or conflict with Township business, technical or marketing strategy, legal position, interest or plans.
- Impair the employee's ability to satisfactorily perform normal job responsibilities at Kayenta Township

If employees have any influence on transactions involving purchases, contracts, or leases, it is important that they inform their immediate supervisor when they learn of a potential or actual conflict. To comply with the Navajo Nation Ethics in Government Act, all supervisors and managers shall disclose their financial interests annually, or at the request of the Town Manager.

Outside Employment

Kayenta Township does not encourage employees to hold outside employment.

Employees are specifically forbidden from working as a consultant or employee of any current business organization that has a valid contract with Kayenta Township. A list of these businesses can be found in the office of the Town Manager.

If it is necessary for employees to hold outside employment, Kayenta Township must be the primary employer. The outside employment must be a part-time position and should not conflict with the employee's work schedule or interfere with Township operations in any way. All employees will be evaluated by the same performance standards and are subject to the Township's work schedule and requirements, regardless of any outside employment.

Employees must inform and receive approval from their immediate supervisor and/or the Town Manager before accepting outside employment. If the immediate supervisor and/or the Town Manager determine that an employee's outside work may interfere with the employee's performance or ability to meet Township requirements or if, in their sole discretion, the immediate supervisor and/or the Town Manager deem it to be in the Township's best interest that the employee not hold a second job, the employee may be required to reject the offer of or terminate his or her outside employment. Outside employment that creates an actual or apparent conflict of interest or appearance of impropriety is strictly prohibited.

Policy No. 108

Non-Disclosure

It is vital to the interests and success of Kayenta Township that the confidential business information and trade secrets of the Township are protected. Confidential information includes, but is not limited to, the following examples:

- compensation data
- financial information
- legal positions
- pending projects and proposals
- research and development strategies
- personnel data

Upon the Township's request, an employee exposed to confidential information must sign a non-disclosure agreement as a condition of employment.

Because we consider security breaches to be very serious, if an employee improperly uses or discloses trade secrets or confidential business or legal information, such employee will be subject to disciplinary action, up to and including termination of employment, along with appropriate legal action, regardless of whether such employee benefits from the use or disclosure of such information.

Job Posting, Recruitment, and Selection Process

Job Posting

Kayenta Township's job posting program provides employees with the opportunity to apply for open positions and advance within the Township according to his or her skills and experience. In general, all regular, full-time job openings will be posted, although the Township reserves the right to not post a particular job opening.

Job openings will normally remain open for five working days. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications.

To be eligible for a posted job, you must have performed competently for at least 360 calendar days in your current position. If you have a written warning on file, or are on probation or suspension, you are not eligible for posted jobs. You may only apply for posted jobs for which you possess the required skills, competencies, and qualifications.

To apply for an open position, an employment application must be submitted to the Human Resources Department or Town Manager in the absence of a Human Resources Department or person designated as the Township's Human Resources official (hereinafter, collectively "Human Resources") listing all job-related skills and accomplishments, along with a description of how applicant's current experience with Kayenta Township, education and prior work experience qualifies him/her for the position.

Kayenta Township may contact applicant's supervisor to verify applicant's performance, skills, attendance history, and other circumstances that might affect a possible transfer, such as staffing considerations.

Recruitment

Kayenta Township recruits from within and outside of its workforce to obtain the most qualified applicants in accordance with the NPEA; however, preference will typically be given to current qualified employees in cases where there are equally qualified candidates. Human Resources will be responsible for advertising, receiving applications, rating applications, and informing supervisors of qualified applicants.

All job applications will be considered active for three months from the date of the application, although the Township may maintain certain applications for a longer period of time, in its sole discretion.

Selection Process

Kayenta Township will use non-discriminatory job qualifications and selection criteria in accordance with NPEA requirements. Human Resources will screen applications for required skills, abilities, knowledge, and qualifications. Qualified applications will be sent to the supervisor or manager requesting the position.

Testing may be required to assess clerical ability in typing, shorthand, filing, and spelling or mathematic accuracy. Other testing may be given to assess computer skills, reading, writing, and proofreading abilities. Testing will be given in accordance with the position description.

A interview panel may be convened to interview applicants and may consist of the Town Manager and/or others designated by the Town Manager. The panel will conduct interviews for key personnel positions, such as management positions, and the panel may convey its recommendations to Human Resources.

Employment Categories

Understanding the definitions of the employment classifications at Kayenta Township is important because an employee's classification is one of the factors that determine his/her employment status and benefit eligibility.

Depending upon the position, an employee is designated as either NONEXEMPT or EXEMPT from federal wage and hour laws. NONEXEMPT employees may be entitled to overtime pay under the specific provisions of federal laws. EXEMPT employees are excluded from specific provisions of federal wage and hour laws. An EXEMPT or NONEXEMPT classification may be changed only with written notification by the Town Manager.

In addition to the EXEMPT and NONEXEMPT categories, employees also belong to one of the following employment categories:

REGULAR employees are employees who are not in a temporary or introductory status. Regular full-time employees are employees who are regularly scheduled to work a full-time schedule (40 hours per week) at the Township. Generally, regularly full-time employees are eligible for all benefits offered by the Township, subject to the terms, conditions, and limitations of each benefit program. Regular part-time employees are employees engaged to work less than 40 hours per week. Regular part-time employees may be eligible for certain Township benefits.

INTRODUCTORY employees are employees whose performance is being evaluated to determine whether further employment in a specific position is appropriate. Upon successful completion of an introductory period, employees will be notified of their new employment classification. The employment period of any employee who does not satisfactorily complete the introductory period shall expire at the end of such period, and the employee shall be so informed.

Such introductory period provides all new or rehired employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance. All new, rehired, newly promoted or transferred employees must complete a 90-day introductory period with each reassigned or new position. Any significant absence will automatically extend an introductory period by the length of the absence. If the Kayenta Township determines that the designated introductory period does not allow sufficient time to thoroughly evaluate an employee's performance, the introductory period may be extended an additional 30 days. Except for employees who are serving an introductory period after a transfer or promotion, employees serving in the introductory period are not entitled to Township benefit programs.

TEMPORARY employees are employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a short-term project. Employment beyond the initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until they are notified of

a change. Temporary employees are not eligible for Township benefit programs.

CONTRACT EMPLOYEES are hired under written contract for their specialized knowledge, abilities, and skills. Any benefits to be received by contract employees must be specifically agreed to by all parties and be written into the employment contract.

EMPLOYEES IN GOOD STANDING are employees who have not had any disciplinary action taken against them in the previous 36 months.

Policy No. 202

Personnel Files

A personnel file is maintained on each employee of Kayenta Township. Such file includes employee's job application and related hiring documents, training records, performance documentation, salary history, and other employment records. Personnel files are the property of Kayenta Township. This information is confidential and only persons with a legitimate business reason will be allowed access to personnel files.

Upon reasonable advance notice and with the permission of the Town Manager, an employee may view his or her personnel file in the presence of authorized personnel.

Policy No. 203

Employment Reference Checks

References listed on employment applications will be contacted for verification by Kayenta Township. In addition, the Town Manager may conduct background checks on applicants. A written request may be sent to an applicant's former employer(s) requesting information on position(s) held, salary earned, dates of employment, and any other information deemed appropriate by the Town Manager. An official academic transcript and degree/training certificate will be required for some positions. Some positions may require credit, criminal and driving background checks, including but not limited to any DUI/DWI convictions.

The Town Manager shall provide a consent form for each applicant for a position with the Township. Such consent form shall evidence the applicant's unqualified consent to the Township conducting a thorough background check on the applicant, and shall be signed by the applicant. From and after the date of the adoption of this policy, the minimum qualifications for any position with the Township shall include the candidate's execution of such consent form, and a candidate for any position with the Township shall not be deemed to have minimal qualifications for any position if that candidate is unwilling to sign such consent form.

The Town Manager, or the Human Resources or third-party service provider upon the direction of the Town Manager, shall promptly initiate the background check, which may include, in the sole discretion of the Town Manager, criminal background, civil and bankruptcy

lawsuit background, credit check, obtaining copies of degrees, licenses or certificates, check of outstanding liens, contacts of references, verification of the accuracy of the applicant's materials, contacts with prior employers, and any other information relevant to determining the suitability for employment with the Township. Employment with the Township shall be contingent on satisfactory results of the background check.

This policy shall apply to any person who has separated from the Township and subsequently seeks to be rehired by the Township.

If the Township receives a request for an employment reference of a former employee, the Township will confirm only employment dates, salary information, and any position(s) held.

Policy No. 204

Personnel Data Changes

All employees are required to notify the Township of any changes to his or her personal information. Required information to be updated includes but is not limited to mailing address, telephone numbers, marital status, changes to dependents' information, emergency contact information, educational accomplishments, and other relevant information.

Policy No. 205

Introductory Period

As defined in Policy No. 201, Kayenta Township requires all new, rehired and promoted or transferred employees to complete an introductory period. The Township uses this period to evaluate an employee's capabilities, skills, work habits, and overall job performance.

The introductory period is the first 90 calendar days after the date of hire. Any employee that is promoted or transferred within the Township must complete a secondary introductory period of 90-days upon assuming the new position. This period may be extended as explained in Policy No. 201.

If the Township determines that a transferred or promoted employee is not performing satisfactorily during a second introductory period, such employee may be removed from the new position. Depending upon the positions available, and the Township's business needs, such employee may return to his or her former position, or another comparable position to which he or she is qualified.

If a new employee's performance or conduct is found to be unsatisfactory, the immediate supervisor may terminate the employee for any reason permitted by applicable law. An employee terminated during the introductory period has no rights to the Township's grievance procedures. No paid leave is accrued during the introductory period.

If, at the conclusion of the introductory period, an employee's performance has been

satisfactory in all respects, the employee shall be converted to regular full-time status. Conversion to regular full-time status should be accompanied by a performance appraisal completed by his or her supervisor.

During the initial introductory period, new employees are eligible for legal required benefits, such as workers' compensation and Social Security. After successful completion of the introductory period, regular full-time employees may become eligible for other Township benefit programs, subject to the terms and conditions of each benefit program. It is an employee's obligation to become knowledgeable of the eligibility requirements for each program.

Benefits eligibility and employment status are not changed as a result of a secondary introductory period that results from a promotion or transfer within Kayenta Township.

Policy No. 206

Employment Applications

Kayenta Township relies on the accuracy of the information provided by an applicant on his or her employment application, as well as the accuracy of other data presented during the hiring process and employment. Should the Township discover that any misrepresentations, falsifications, or material omissions were made at any time during the application process, such applicant may be excluded from further consideration. Misrepresentations, falsifications or material omissions made by an employee of the Township may result in termination of employment.

When processing employment applications, Kayenta Township may obtain a consumer credit report for employment purposes only. If an adverse employment action is taken based in whole or in part on the consumer credit report, a copy of the report and a summary of your rights under the Fair Credit Reporting Act will be provided as well as any other documents required by law.

Policy No. 207

Performance Evaluations

Formal written performance evaluations are conducted at the end of your introductory period, in any new position. The introductory period gives the employee and his or her supervisor the opportunity to evaluate job performance, standards, and performance requirements. In addition, such formal evaluations give the employee and his or her supervisor the opportunity to discuss job responsibilities and goals, encourage and recognize strengths, identify and correct weaknesses, develop plans for dealing with any obstacles, and plan for the future. Thereafter, performance evaluations are scheduled approximately every 12 months from the date of hire of the employee.

Merit-based bonuses may be awarded in recognition of superior employee performance. Bonuses are based on numerous factors, including the information documented by the formal performance evaluation process.

Policy No. 208

Salary Review

Kayenta Township is committed to fair employment practices and to offering competitive salaries within the Township's labor market. The Township strives to pay its employees equitable wages that reflect the requirements and responsibilities of each position and pay that is comparable to that received by similarly situated employees in other organizations in the area, consistent with approved budgets.

Compensation is determined by several factors including job analysis and evaluation, the essential duties and responsibilities of the position, and salary survey data on pay practices of other employers. The Township will, at its discretion and conditioned on budget constraints, provide a cost of living pay increase to each employee at the beginning of the fiscal year. Bonuses may be made on an individual basis in conjunction with superior employee performance as documented by the performance evaluation process and subject to the Township's budgetary limitations.

Employee Benefits

Kayenta Township provides a wide range of benefit programs to eligible employees. Certain legally required programs (such as Social Security, workers' compensation, disability, and unemployment insurance) cover all employees in the manner as required by applicable laws.

An employee's eligibility for each benefit program depends on a variety of factors, including the employee's classification. An employee can talk to his or her supervisor to get a better understanding of which benefit programs he or she may be eligible for. The following benefit programs are available to eligible employees, subject to the terms and conditions of each program:

- Family Leave
- Holidays
- Medical Leave
- Paid Time Off
- Travel Allowances

In addition, at the request of the Employee, the Township may provide paid time off in lieu of overtime pay ("comp time") for any hours over 80 worked during any pay period. While some of the benefit programs offered may require employees to contribute to the cost, many programs are fully paid by the Township.

Holidays

Kayenta Township gives holiday time off to all employees on the following holidays:

- New Years Day
- Martin Luther King Birthday
- Presidents' Day
- Memorial Day
- Navajo Nation Memorial Day
- Navajo Nation Sovereignty Day
- Independence Day
- Navajo Code Talkers Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day
- Day after Christmas

Kayenta Township provides time off with pay to eligible employees who have completed 30 calendar days of service in an eligible employment classification. If an employee is eligible

for paid holidays, the holiday pay will be calculated on an employee's straight-time pay rate as of that holiday multiplied by the number of hours an employee would normally have worked on that day. Employees in the following employment classification are eligible for paid holiday time off:

- Regular full-time employees
- Introductory employees
- Regular part-time employees

It may be necessary for the Township to require some employees to work during holidays. If so, eligible exempt employees will receive an alternate day off with pay in lieu of the holiday. Eligible non-exempt employees will receive pay at one and a half times their usual pay if required to work on a holiday. A non-exempt employee that is required to work on a holiday may request compensatory time off instead of receiving time and a half pay for holiday work. Such request must be in writing and be approved prior to the holiday.

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday. If a recognized holiday falls during an eligible employee's paid absence, holiday pay will be provided instead of the paid time off benefit that would otherwise have applied.

Paid time off for holidays will not be counted as hours worked for the purposes of determining overtime.

Policy No. 303

Workers' Compensation Insurance

Kayenta Township participates in the Workers' Compensation program for all of its employees. This program covers injuries or illnesses sustained in the course of employment that require medical, surgical, or hospital treatment.

It is critical that employees immediately inform their supervisor immediately about any work-related injury or illness, regardless of how minor it might appear at the time. Immediate reporting ensures that, if eligible, you will qualify for workers' compensation benefits as quickly as possible and allows the Township to promptly investigate the matter.

Workers' compensation insurance is intended to cover work-related injuries and illnesses only. Neither Kayenta Township nor its insurance carrier will be liable for the payment of workers' compensation benefits for injuries that might occur during employees' voluntary participation in off-duty recreational, social, or athletic activities that may be sponsored by the Township.

Unemployment Insurance

Kayenta Township participates in the State unemployment insurance program for all of its employees. Unemployment insurance protects each employee in the event of any loss of employment for which the employee had no fault. The employee may need to meet other eligibility requirements as determined by the Department of Economic Security.

Time Off to Vote

Kayenta Township encourages employees to vote in Navajo Nation, federal and state elections. Employees should be able to make time to vote either before or after their work shift, or by early or absentee voting. If employees are unable to vote before or after work or by absentee ballot, the Township will provide up to two hours of paid administrative leave to regular full-time employees who are registered voters. Such leave must be taken and used for voting purposes only. Eligible employees must request time off from their immediate supervisors at least two working days prior to the Election Day. Advance notice is required so necessary time off can be scheduled at the beginning or end of the work shift. Supervisors may require proof of voter registration and/or polling slip to verify that an employee did vote.

Bereavement Leave

In the event an employee needs to take time off because of the death of an immediate family member, the Township provides up to three days of paid bereavement leave to regular full-time employees. Employees must notify and receive their immediate supervisor's prior approval for any time off.

During paid bereavement leave, your pay will be calculated based on your pay rate at the time of absence, excluding any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials. Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements that prevent accommodating the request. Employees may also, with supervisory approval, use any available paid leave benefits, such as vacation, for additional time off as necessary.

"Immediate family" is defined as a spouse, parent, child, or sibling, grandparents or grandchildren. Special consideration may be given to a request for bereavement leave for a person whose association with you was similar to any of the above relationships.

Jury Duty

Kayenta Township encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees must show the jury duty summons to their supervisor as soon as possible so that arrangements can be made to accommodate an employee's possible absence. Regular full-time employees may request up to one week of paid jury duty leave over any one year period and will be compensated at their base rate of pay for the number of hours normally worked each day. Should the jury duty continue beyond one week per year, employees may use any available paid time off, such as vacation, or request an unpaid jury duty leave of absence.

Should Kayenta believe that the employee's absence would cause a serious operational difficulty for the Township, it may request that the employee be excused from jury duty.

Annual Leave/Sick Leave

Kayenta Township provides paid time off for regular full-time employees to use for vacation, illness or injury, and personal business. Before an eligible employee can use any accrued paid time off, he or she must complete an introductory period of 90 calendar days. After the introductory period, an employee can request to use earned paid time off including paid time off that accrued during the introductory period.

Annual (or vacation) leave is accrued at the rate of four hours per pay period. The maximum annual leave hours earned per year for eligible employees is 104 hours. Employees must request advance approval from his or her supervisor of any planned leave. Each request will be reviewed based on a number of factors, including the Township's business needs and staffing requirements.

Employees who resign, giving at least two weeks notice, are entitled to payment of unused accrued annual leave, provided they have been continuously employed by Kayenta Township for at least one year. Employees with over one year of continuous employment who are terminated by the Township may be eligible for payment of unused accrued annual leave, at the Township's sole discretion. Employees may carry over up to but no more than 40 hours of unused accrued annual leave to the next fiscal year. Should a request for annual leave or vacation leave be denied, that employee is eligible for compensation in lieu of actual leave for any hours in excess of 40 hours that are accrued and unused at the end of the fiscal year.

Should an employee have unused accrued annual leave at the end of the fiscal year in excess of the 40 hours allowed for carryover ("excess leave"), he or she may request to be paid for one half of such excess leave up to 32 hours at the employees regular hourly rate. In addition, should an employee have an emergency need for funds at any other time during the

year, the employee may request that the Town Manager pay for up to 32 hours of his or her then accrued annual leave in lieu of taking such leave. The Town Manager will consider each request on a case by case basis and grant such request for good cause. In no case, shall an employee be paid for more than 32 hours of leave per year.

Sick leave is also accrued at the rate of two hours per pay period. The maximum sick leave hours earned per year for eligible employees is 52 hours. Sick leave can only be used for health related purposes. At the request of Kayenta Township, employee may be required to provide a doctor's statement if employee is on sick leave for more than three days. Employees who resign or are terminated are not entitled to payment of unused accrued sick leave. A maximum of a total of 40 hours of unused sick leave may be carried over to the next fiscal year.

Policy No. 309

Health, Life & Disability Insurance

Kayenta Township offers the same group insurance offered by the Navajo Nation to its regular full-time employees. Under this insurance plan, all regular full-time employees will receive a medical, dental, vision, life, accidental death and dismemberment, and disability packet. Dependent coverage under the group insurance plans is optional. All employee and dependent coverage requires payroll deduction. Eligible employees may participate in the health insurance plan subject to the terms and conditions of the agreement between Kayenta and the insurance carrier.

If an employee is terminated or if the employee classification changes that would cause an employee to become ineligible for this health insurance plan, he or she may qualify to continue this benefit under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

For questions about eligibility and cost, employees may contact Human Resources.

Policy No. 310

401k Plan

Kayenta Township offers a 401k/retirement plan to eligible employees. For questions about the plan and enrollment details, please see Human Resources.

Timekeeping

Applicable laws and good management practices require Kayenta Township to keep an accurate record of time worked in order to calculate employee pay and benefits. Nonexempt employees are responsible for accurately recording the hours they work. This information helps Kayenta comply with the laws that require Kayenta to keep accurate records of "time worked" in order to correctly calculate employee pay and benefits. "Time worked" is defined as all the time nonexempt staff spend performing assigned duties. Nonexempt employees must accurately record the time they begin and end work, as well as the beginning and ending time of any meal periods, split shifts, or if you leave the workplace for personal reasons. Advance approval must be received before working any overtime hours.

Kayenta considers attempts to falsify timekeeping records to be a very serious matter. Therefore, any of the following actions may result in disciplinary action, up to and including termination: altering, falsifying, tampering with time records, or recording another employee's time record, or attempting to do any of the foregoing.

Employees are responsible for signing their own time records to certify their accuracy. The employee's supervisor will review and initial the time records before submitting them for payroll processing.

Paydays

All employees are paid biweekly on every other Friday. Each paycheck includes earnings for all work performed through the end of the previous payroll period. Regular full-time employees who are terminated will be paid for regular hours worked, and, unless terminated for cause, for any unused, accrued annual leave on the next scheduled pay period. Employees on vacation will get paid on the regularly scheduled payday, and will be available on his or her return. If a regularly scheduled payday falls on a day off, such as a holiday, employees will be paid on the following business day.

Employees may have their paycheck deposited directly to their bank accounts by requesting and giving an advance written authorization to the Township. Employees will receive an itemized statement of wages when the Township makes the direct deposit.

Deductions and Withholding

Certain deductions required by law will be made from all paychecks. Kayenta Township does not guarantee the payment of any debts owed by any employee to any creditor under any

circumstances.

As specified by federal law, Kayenta is required to withhold federal income tax at specified rates from all pay to employees. The rate for such withholding is determined by the salary level and the exemptions to which the employee is entitled to, as declared by the employee. At the beginning of employment, each employee is required to complete an IRS form W-4 listing his or her social security number and the number of exemptions claimed for deduction purposes. Employees are exclusively responsible for all taxes due on their income. Kayenta Township will be liable only for the actual amount of taxes withheld from each paycheck.

Policy No. 404

Employment Termination

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. These are some of the most common circumstances for employment termination:

- Resignation - voluntary employment termination initiated by an employee
- Discharge - involuntary employment termination initiated by the Township
- Layoff - involuntary employment termination initiated by the Township for non-disciplinary reasons
- Subsequent Disqualification - If an employee made representations or omitted material facts on his or her employment application, that employee shall be subject to termination at any time after Kayenta Township learns of such misrepresentation. If an employee who was qualified for his or her position subsequently becomes disqualified for the position due to a reclassification of the position due to reorganization, or other related reasons, the employee will be subject to termination for cause, but in the sole discretion of Kayenta Township, the employee may be given a reasonable period to re-qualify. If the Township allows the employee time to re-qualify and if after the period for requalification the employee remains unqualified, he/she will be terminated.
- Release - An employee may be released from employment when, due to mental or physical condition or injury, the employee is no longer capable of performing the duties of the position. Kayenta Township may, in its sole discretion, require employees to see medical practitioners of the employee's or Township's choice to determine the nature, extent and probable duration of any incapacity. An employee who is released due to a change in physical or mental condition will typically be given two weeks written notice of the release.

Generally, an exit interview will be scheduled at the time of employment termination. The exit interview is an opportunity to discuss such issues as employee benefits, conversion privileges, or return of Township property. It is also a time for employees to voice any suggestions, concerns, and questions he or she may have.

Benefits are affected by termination in several ways. Accrued, vested benefits that are due and payable at termination will be paid out in the normal course of business. Some benefits may be continued at the expense of the employee, if he or she chooses to do so. Employees will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations for continuing them.

Policy No. 405

Pay Advances

Kayenta Township does not provide pay advances on unearned wages or salaries to our employees.

Policy No. 406

Administrative Pay Corrections

Kayenta Township takes reasonable steps to ensure that employees received the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday. In the event of an error in pay, employees must promptly bring the discrepancy to the attention of their immediate supervisor and payroll personnel. Any pay corrections will be made in the next pay period.

Use of Phone and Mail Systems

Employees are not to engage in any business not directly related to the operations and business of Kayenta Township during working hours. Employees shall not use telephones, supplies, or equipment for purposes other than for the business activities of Kayenta Township without specific approval of their immediate supervisor. The Township may require employees to reimburse Kayenta Township for any charges resulting from personal calls.

When answering telephones for the Township, each employee is expected to answer each call promptly and in a courteous, professional, and respectful manner. Each employee and his or her department should be identified at the outset of the call. Employees should be helpful to the needs of the caller and if employee is unable to assist the caller, employee should try to determine who can assist. When taking messages from callers, employees must be accurate in noting the date, time, name of caller, callback number, and any comments or messages conveyed by the caller. Employees are not to release home telephone numbers of other employees without their prior consent.

Smoking

Smoking or other tobacco use in and near the Township's offices by employees is prohibited.

Rest and Meal Periods

Regular full-time employees are provided two rest periods, up to 15 minutes each, one in the morning and one in the afternoon. Supervisors can stagger meal and rest periods and adjust times for employee breaks. Supervisors can schedule employees' lunch periods for 30 minutes to one hour.

Rest period should be scheduled during the middle of morning and the middle of the afternoon, to the extent possible. This time is considered time worked and is, therefore, paid time. Meal periods are not considered time worked and are not included as paid time.

Motor Vehicle Use

Employees must notify supervisors immediately if any equipment, machine, tool, or Township vehicle appears damaged or defective, or is in need of repair. Prompt reporting of

damage, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others, and permits the Township to enforce warranties. Employees found violating this penalty will be subject to disciplinary action, up to and including termination of employment.

Employees involved in an accident while traveling on Kayenta business must promptly report the accident to their immediate supervisor.

Any employee who is arrested, or charged with driving under the influence of alcohol, drugs, or other controlled substances ("DUI/DWI") has a duty to report such arrest or charge immediately and in writing both to his or her immediate supervisor and to the Town Manager. Failure to do so shall be a neglect of duty constituting good cause for the employee's immediate termination.

Because Kayenta requires that employees whose duties include driving a vehicle must maintain at all times a valid state driver's license as a condition of employment, any suspension or revocation of such license by the licensing state, or any adjudication that an employee is guilty of DUI/DWI, or any plea of guilty or no contest to such charge, regardless of whether the employee is using a Kayenta vehicle or is conducting Kayenta business, shall constitute good cause for the employees immediate termination.

A part-time or temporary employee, or a regular full-time employee that is an introductory capacity, that is arrested or charged with DUI/DWI shall be immediately terminated without recourse. Any regular full-time employee who is arrested or charged with DUI/DWI and whose driver's license has not yet been suspended or revoked shall be able to invoke the following procedures, provided that such employee has given the proper notification required above:

- The employee shall be placed on immediate suspension without pay pending a determination by Kayenta of the culpability of the employee, such determination to be made at a hearing held for such purpose promptly after the giving of such notification by Kayenta to the employee.
- Kayenta shall schedule a hearing to determine if it is more likely than not that the employee did in fact drive a vehicle while under the influence of alcohol, drugs, or other controlled substances. The results of any blood test, breath analysis, or other test conducted by law enforcement personnel shall be entitled to a presumption of accuracy that may be rebutted by such employee only by competent proof. A showing that the employee refused to submit to a blood test, breath analysis or other test shall give rise to an irrefutable presumption that such employee is in fact guilty of DUI/DWI, in Kayenta's sole discretion.
- If Kayenta determines that it is more likely than not that the employee did drive a vehicle while under the influence of alcohol, drugs, or other controlled substance, such employee shall be terminated immediately, or Kayenta, in its sole discretion, may reassign such employee to another job not entailing any driving or driving duties.

- If Kayenta determines that it is more likely than not that the employee is not guilty of DUI/DWI and such employee's driver's license has not been suspended or revoked, such employee shall be reinstated to active duty, with pay.

Policy No. 505

Emergency Closings

If the weather affects the entire Kayenta Township, the Town Manager has the discretion to grant hours for late arrival or early dismissal for employees, with pay, not to exceed a total of 8 hours for that day. In such circumstances, supervisors may excuse employees for late arrival or early dismissal on a case-by-case basis as leave without pay.

There could be times when emergencies, such as severe weather, fires, power failures, or earthquakes, may disrupt our normal business operations. In extreme cases, these circumstances may require that we close a work facility. When the decision to close is made AFTER the workday has begun, supervisors will officially notify employees. In these situations, time off from scheduled work will be paid. When the decision to close is made BEFORE the workday has begun, time off from scheduled work will be unpaid. However, employees may request to use any available paid time off they have available, such as vacation time.

If Kayenta is not officially closed during a Kayenta emergency, employees are expected to report to work. If employees do not report to work, they will not be paid for the time off. However, employees may request to use available paid time off, such as vacation time.

There may be circumstances where Kayenta asks essential employees to work on a day when Kayenta is officially closed due to an emergency. In these circumstances, employees who are requested to work will receive their regular pay.

Policy No. 506

Business Travel Expenses

The Kayenta Township will reimburse employees for all authorized out-of-pocket expenses incurred during authorized travel. Employees must complete a Travel Authorization ("TA") form within three days after return from travel and submit it to the Finance Department with the signature of the supervisor who authorized the expense, and with copies of all receipts.

All business travel must be pre-approved by the Town Manager or an authorized designee. Once travel plans have been approved, employees are responsible for making their travel arrangements. When approved, the costs of travel, meals, lodging, and other expenses actually and reasonably incurred, and directly related to Kayenta Township business, will be reimbursed. Employees are expected to keep expenses within reasonable limits.

Travel expenses that generally will be reimbursed include the following:

- The lowest available rate for airfare or train fare.
- Fares for shuttle or airport bus service, where available; costs of public transportation or taxi fares for other ground travel.
- Mileage costs for use of personal cars at the IRS approved rate, but only when less expensive transportation is not available and practicable.
- Cost of standard accommodations in low to mid-priced hotels, motels, or similar lodgings.
- Cost of meals, not to exceed \$75 per day.

In the event of an accident while traveling on business, the involved employee must immediately report the incident to his or her supervisor. If an employee uses a vehicle owned, leased, or rented by Kayenta Township for travel, such vehicle may not be used for personal reasons unless the employee has received prior written approval from an authorized supervisor.

Upon submission of a written request by an employee, Kayenta Township may provide cash advances to cover reasonably anticipated expenses for an approved business trip.

While on authorized travel, employees must remember that they represent the Kayenta Township. Any conduct that might negatively reflect on the Township including without limitation excessive drinking or public disturbances will constitute good cause for disciplinary action, up to and including termination. If an employee is on travel to conduct Township business, the Township prohibits any person not employed by the Township from accompanying such employee, and business trips may not be combined with personal travel. Any non-business expenses incurred by an employee while on travel are solely the responsibility of the employee.

Kayenta Township considers abuse of this policy to be a very serious matter. Abuse of this policy includes falsifying expense reports to reflect costs that were not incurred or were not business-related. Failure to follow this business travel expense policy may be grounds for disciplinary action, up to and including termination of employment.

Policy No. 507

Visitors in the Workplace

To better protect the safety and security of employees as well as Kayenta Township property and facilities, only authorized visitors are allowed in the workplace. Authorized visitors shall remain in the reception area until they can be escorted to their intended destination.

For safety and security reasons, family and friends of employees should not visit. If such a visit is necessary, employees shall meet the personal visitor away from his or her work area and in a public waiting area. The time spent visiting will be deducted from the employee's compensation, at the Township's sole discretion.

Computer and Email Usage

Kayenta Township may provide employees with access to computers, computer files, the email system, and software to use to complete their work. Employees shall not use a password, access a file, or retrieve any store communication without authorization. Computer and email usage may be monitored by the Township at any time.

The Township prohibits the use of computers and the email system in ways that are disruptive, offensive to others, or harmful to morale and also prohibits displaying, downloading, or emailing sexually explicit images, messages, and cartoons. Unaccepted computer usage also includes but is not limited to ethnic slurs, racial comments, off-color jokes, or anything that may be reasonably seen by another person as harassment or disrespectful. Email may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Kayenta Township purchases and licenses the use of various computer software programs for business purposes and does not own the copyright to this software or its related documentation. Reproduction of software for use on more than one computer is prohibited.

An employee with knowledge of any violation of this policy must notify his or her supervisor. Employees who violate this policy are subject to disciplinary action, up to and including termination of employment.

Internet Usage

Kayenta Township may provide access to the internet for certain employees and expects such employees to use the internet responsibly and productively. All internet data that is composed, transmitted, or received via the Township computer system is considered to be part of Kayenta official records. It is subject to monitoring by and disclosure to management, law enforcement or other third parties. Use of the internet may be monitored by the Township at any time and any data that is composed, sent, or received through online connections or stored in the computer system may be retrieved and read by management.

It is prohibited to compose, transmit, access, or receive via the internet any content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Unacceptable content includes, but is not limited to, sexual comments or images, racial slurs, gender-specific comments, or other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by applicable law. In addition, employees are not allowed to download any files from the internet without prior written authorization.

Kayenta Township does not allow the unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the internet. If an employee did not create certain material, he or she does not own the right to it. If an employee has not received authorization for its use, he or she may not put that material on the internet.

In addition to the above prohibited activities, following are examples of additional actions and activities that are prohibited and which could result in disciplinary action:

- Accessing, viewing and posting to MySpace, Facebook, Twitter or any form of personal communication.
- Using Instant Messaging software
- Using Kayenta's time and resources for personal gain.
- Sending or posting confidential material, trade secrets, or proprietary information outside of Kayenta Township.
- Sending or posting messages or material that could damage Kayenta Township's image or reputation.
- Sending or posting message that defame or slander other individuals.
- Refusing to cooperate with a security investigation.
- Using the internet for political causes or activities, religious activities, or any sort of gambling.
- Sending or posting messages that disparage another organization's services.

Any employee who violates laws or this policy is subject to disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy.

Policy No. 510

Workplace Monitoring

Kayenta Township may conduct workplace monitoring to ensure quality control, employee safety, and security. Kayenta reserves the right monitor computer activities and to retrieve and read any computer files or data that are composed, sent, or received through internet connections or stored in the computer system.

The Township may conduct video surveillance of non-private workplace areas to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage and prevent acts of harassment and workplace violence. Kayenta will make reasonable efforts to conduct workplace monitoring in an ethical and respectful manner.

Policy No. 511

Workplace Violence Prevention

All employees, including supervisors and temporary employees, should be treated with

courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Kayenta prohibits firearms, weapons, and other dangerous or hazardous devices and substances on the premises of Kayenta Township without proper authorization.

Kayenta Township prohibits conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods. This includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal or Navajo law.

All threats of (or actual) violence, either direct or indirect, must be reported as soon as possible to a supervisor or the Town Manager. This includes threats by employees as well as threats by customers, vendors, solicitors, or anyone else. When reporting violence or a threat of violence, employees should be as specific and detailed as possible.

Employees should also report any suspicious person or activities as soon as possible to his or her supervisor. Employees should not place themselves in peril and should not try to intercede or try to see what is happening if he or she hears or sees a commotion or disturbance.

Kayenta Township will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the person who made the report will be protected to the extent practical. To maintain workplace safety and the integrity of its investigation, Kayenta may suspend an employee, either with or without pay, pending investigation. Such suspension shall not be considered an adverse employment action.

Any employee who violates these guidelines will be subject to disciplinary action, up to and including termination of employment.

Policy No. 512

Cell Phone Usage

Kayenta Township may provide cellular telephones to some employees as business tools. The phones are provided to assist employees in communicating with management and other employees, clients, and other business-related contacts. Cell phones are intended for business-related calls, however, occasional, brief personal use is permitted within reasonable limits. Kayenta reserves the right to review cell phone invoices and monitor cell phone usage.

The Township fully complies with the *Navajo Nation Motor Vehicle Code Prohibited Activities While Driving Act of 2008*. The purpose of the Act is to ban hand-held wireless mobile telephone use while driving unless the device is configured to allow hands-free listening and talking. This ban also prohibits text messaging while driving.

Violations of this policy, including violation of the *Navajo Nation Motor Vehicle Code Prohibited Activities While Driving Act of 2008*, may result in disciplinary action up to and

including termination of employment.

Policy No. 513

Personal Cell Phone Usage

This policy about cellular phone usage applies to any device that makes or receives phone calls, leaves messages, sends text messages, surfs the internet, or downloads and allows for the reading of and responding to email whether the device is company-supplied or personally owned.

Kayenta Township is aware that employees use their personal or Township-supplied cellular phones for business purposes. However, cell phones in the workplace are a distraction. Employees should only use their cell phone for personal use during authorized breaks throughout the workday. At no time should employees use their cell phones to text, check personal email, or surf the web while working. During meetings, employees will typically be directed to leave all cell phones at their desk. Or, on the unusual occasion of an emergency or anticipated emergency that requires immediate attention, the cell phone may be carried to the meeting on vibrate mode.

Employees who violate this policy will be subject to disciplinary action, up to and including employment termination.

Medical Leave

Kayenta Township provides unpaid medical leaves of absence to regular full-time employees who become temporarily unable to work due to a serious health condition or disability. For medical leave purposes, a serious health condition or disability includes inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Regular full-time employees who have completed at least 12 months of continuous employment may receive unpaid medical leave by specifically requesting such leave of his or her supervisor at least 30 days in advance of the date the leave would start. If the situation requiring medical leave is unexpected, the request should be made as soon as possible. A leave for a planned medical treatment should be scheduled to the extent practicable so as to not unduly disrupt the activities of the Township.

Kayenta requires a health care provider's statement verifying the need for medical leave and the start and expected end dates. Employees are responsible for informing the Township of any subsequent changes to this information. Before returning to work, Kayenta will require verification from a health care provider stating an employee's fitness to return to work.

Unpaid medical leaves are normally for the period of the disability, up to a maximum of six weeks within any 12 month period. The six week maximum applies to any combination of both medical leave and family leave during any 12 month period. If the initial period of approved leave proves insufficient, Kayenta, in its sole discretion, may consider a request for extension. Before beginning an unpaid medical leave, employees must first use any available paid vacation or sick leave.

If an employee incurs a work-related injury, he or she is eligible for a medical leave for the period of disability in accordance with any applicable laws covering occupational disabilities.

Subject to the terms, conditions, and limitations of the applicable plans, Kayenta will continue to provide health insurance benefits for the full period of medical leave. Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during a medical leave and will resume when an employee returns to active employment.

The Township requests that an employee provide at least two weeks notice before his or her expected return date from medical leave. When an employee returns from medical leave, he or she will be reinstated to his or her previous position unless that job is no longer available. If it is not available, Kayenta will strive to place him or her in an equivalent position for which he or she is qualified.

If an employee does not report promptly back to work at the end of a medical leave, he or she will be conclusively deemed to have resigned from employment at the Kayenta Township.

Policy No. 602

Family Leave

Kayenta Township provides unpaid family leaves of absence to regular full-time employees who need to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child. Family leave may also be requested to care for a child, spouse, or parent with a serious health condition. A serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility. It also includes continuing treatment by a health care provider.

Eligible employees may request family leaves of absence after completing a full 12 months of continuous employment with the Township. Requests for family leaves must be submitted at least 30 days in advance of the date the leave would start if possible. If an unexpected situation necessitating family leave occurs, employees must request leave as soon as possible.

Kayenta Township may require, in its sole discretion, an employee to submit a health care provider's statement verifying the need for a family leave, the start and expected return dates, and the estimated time required.

Eligible employees may request a maximum of 12 weeks of family leave within any 12 month period. The 12 week maximum applies to any combination of both family leave and medical leave during any 12 months period. If the initial period of absence proves insufficient, Kayenta, in its sole discretion, may also consider a written request for a single extension of no more than 30 calendar days. Before an unpaid family leave of absence begins, an employee must use all accrued available leave, such as vacation and sick leave. Should an employee's spouse also be employed by Kayenta Township, both employee's may be restricted to a combined total of 12 weeks leave within any 12 month period for unpaid family leave.

Subject to the terms, conditions, and limitations of the applicable plans, Kayenta will continue to provide health insurance benefits for the full period of the approved family leave. Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during a family leave and will resume when an employee returns to active full-time employment.

If possible, employees should give two weeks notice of the date he or she plans to return to full-time employment from family leave. Upon return to full-time employment, an employee will be reinstated to his or her position unless that job is no longer available. If it is not available, Kayenta will strive to place him or her in an equivalent position for which he or she is qualified.

If an employee does not report promptly back to work at the end of a family leave, he or she will be conclusively deemed to have resigned from employment at the Kayenta Township.

Policy No. 603

Military Leave

To the extent required by applicable law, Kayenta Township will grant a military leave of absence to regular full-time employees who are absent from work because they are serving in the United States uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Employees are required to give the Town Manager advance notice of upcoming military service, unless military necessity prevents advance notice or it is otherwise impossible or unreasonable.

Continuation of health insurance benefits is available as required by USERRA, to the extent applicable, based on the length of leave and subject to the terms, conditions and limitations of the applicable plans for which you are otherwise eligible.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during military leave and will resume when an employee returns to active employment.

Employees who are on military leave for up to 30 days must return to work on the first regularly schedule work period after service ends (allowing for reasonable travel time). Employees who are on military leave beyond 30 days must apply for reinstatement in accordance with USERRA.

To the extent required by applicable law, when an employee returns from military leave (depending on the length of military service in accordance with USERRA), he or she will be placed either in the position he or she would have attained if he or she had remained continuously employed or in a comparable position. For the purposes of determining benefits that are based on length of service, an employee will be treated as if he or she had been continuously employed.

Please contact the Town Manager for additional information about military leave.

Employee Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, Kayenta Township expects employees to follow rules of conduct that will protect the interests and safety of all employees and Kayenta Township. The Township does not use progressive discipline; any violation of Kayenta's policies or procedures may result in disciplinary action, up to and including termination of employment.

Although it is not possible to list all forms of behavior that are considered unacceptable at work, the following are some examples of conduct that may result in disciplinary action, up to and including termination of employment.

Unexcused absences or unjustified tardiness.	May result in disciplinary action, up to and including termination of employment.
Theft, misuse, or unauthorized use of Kayenta funds, vehicles, equipment, facilities or other property ("Property").	May result in disciplinary action, up to and including termination of employment.
Fraud and/or conspiracy to commit fraud.	May result in disciplinary action, up to and including termination of employment.
Solicitation or acceptance of gifts of excessive amounts, bribes or kickbacks.	May result in disciplinary action, up to and including termination of employment.
Inappropriate removal or possession or misuse of Kayenta Property or services.	May result in disciplinary action, up to and including termination of employment.
Concealing, removing, mutilating, obliterating or destroying Kayenta records or documents without authorization.	May result in disciplinary action, up to and including termination of employment.
Negligent or improper conduct leading to damage of Kayenta Property.	May result in disciplinary action, up to and including termination of employment.
Intentional or malicious damage to Kayenta Property including, but not limited to, graffiti, vandalism, etc.	May result in disciplinary action, up to and including termination of employment.
Display of intoxication on the job.	May result in disciplinary action, up to and including termination of employment.
Habitual and excessive use of intoxicants which affects job performance.	May result in disciplinary action, up to and including termination of employment.

Violation of any provision contained in the Drug Free Workplace Policy or its procedures.	May result in disciplinary action, up to and including termination of employment.
Operating a vehicle under the influence of alcohol or controlled substances (except when used as prescribed).	May result in disciplinary action, up to and including termination of employment.
If tests indicate an employee has been driving or operating equipment under the influence of drugs or alcohol, with a blood alcohol of .04 or higher.	May result in disciplinary action, up to and including termination of employment.
Tampering with, refusal to submit to, or failure of an alcohol or drug test.	May result in disciplinary action, up to and including termination of employment.
Possession, use, transfer, sale or distribution of alcohol, illegal drugs or controlled substances while on or using Kayenta Property or while on duty.	May result in disciplinary action, up to and including termination of employment.
Not cooperating with supervisors on training, education and implementation of the Drug Free Workplace Policy or its procedures.	May result in disciplinary action, up to and including termination of employment.
Not cooperating with assessment and treatment referrals.	May result in disciplinary action, up to and including termination of employment.
Planning, initiating, participating in or otherwise aiding or assisting in the conduct of any riot or unlawful demonstration or strike.	May result in disciplinary action, up to and including termination of employment.
Fighting or threatening violence in the workplace.	May result in disciplinary action, up to and including termination of employment.
Boisterous or disruptive activity in the workplace.	May result in disciplinary action, up to and including termination of employment.
Endangering the physical well being of any individual.	May result in disciplinary action, up to and including termination of employment.
Mistreatment of any individual which jeopardizes health or safety.	May result in disciplinary action, up to and including termination of employment.

Injury to employees due to inattention, negligence, carelessness or maliciousness.	May result in disciplinary action, up to and including termination of employment.
Striking other employees or individuals while on Kayenta Property or while on duty.	May result in disciplinary action, up to and including termination of employment.
Violation of safety or health regulations which endangers oneself or others.	May result in disciplinary action, up to and including termination of employment.
Possession or use of dangerous firearms and weapons and hazardous materials while on or using Kayenta Property and while on duty.	May result in disciplinary action, up to and including termination of employment.
Use of abusive or vulgar language and/or gestures.	May result in disciplinary action, up to and including termination of employment.
Creating discord among employees leading to decreased productivity or a hostile working environment.	May result in disciplinary action, up to and including termination of employment.
Sexual, physical, or verbal harassment or any unlawful or unwelcome harassment of other individuals.	May result in disciplinary action, up to and including termination of employment.
Possession of dangerous, pornographic or unauthorized materials in the workplace.	May result in disciplinary action, up to and including termination of employment.
Loss of a valid driver's license.	May result in disciplinary action, up to and including termination of employment.
Failure to comply with motor vehicle policies and regulations.	May result in disciplinary action, up to and including termination of employment.
Falsification or unauthorized alteration of any Kayenta record, including without limitation time-keeping cards and records or other personnel records.	May result in disciplinary action, up to and including termination of employment.
False statements of material fact in an employment application or related documents.	May result in disciplinary action, up to and including termination of employment.
False statements of material fact on personnel records.	May result in disciplinary action, up to and including termination of employment.

Abuse of office or position.	May result in disciplinary action, up to and including termination of employment.
Neglect of duty.	May result in disciplinary action, up to and including termination of employment.
Refusal to do an assignment.	May result in disciplinary action, up to and including termination of employment.
Insubordination or other disrespectful conduct.	May result in disciplinary action, up to and including termination of employment.
Excessive absenteeism, including tardiness.	May result in disciplinary action, up to and including termination of employment.
Unauthorized absences, including from the work station during the workday.	May result in disciplinary action, up to and including termination of employment.
Unsatisfactory work performance or conduct.	May result in disciplinary action, up to and including termination of employment.
Failure to complete performance evaluations, goals, and objectives.	May result in disciplinary action, up to and including termination of employment.
Sleeping on the job.	May result in disciplinary action, up to and including termination of employment.
Maintaining second or outside employment without proper approval including but not limited to self-employment.	May result in disciplinary action, up to and including termination of employment.
Performing activities for personal gain while on duty.	May result in disciplinary action, up to and including termination of employment.
Contracting or recommending a contract with a party where the employee has a legal, familial or beneficial interest.	May result in disciplinary action, up to and including termination of employment.
Disclosing confidential information to any unauthorized person.	May result in disciplinary action, up to and including termination of employment.
Circumventing the approved grievance process in violation of Kayenta policies and procedures and Navajo fundamental law.	May result in disciplinary action, up to and including termination of employment.
Violation of any Kayenta policy or procedure.	May result in disciplinary action, up to and including termination of employment.

Drug and Alcohol Use

The Kayenta Township strives to provide a drug-free, healthful, and safe workplace. To meet this goal, employees are expected to report to work in a mental and physical condition that enables them to perform their jobs in a satisfactory manner. The Township acknowledges that Navajo Nation Council Resolution No. CD-111-95 (1995) allows Navajo Nation programs to develop and implement drug and alcohol policies, including testing, in accordance with their program needs.

Kayenta has received federal funds and strives to comply with federal statutes such as the Drug-Free Workplace Act of 1988. Kayenta's policy in this respect provides:

The unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance, as defined by Navajo Nation and federal law, is prohibited in the Kayenta workplace. Disciplinary action will be taken against any employee who violates this prohibition, including a referral to appropriate agencies for criminal prosecution.

All employees will be informed of this policy during orientation through this Handbook. As a condition of employment, each employee must abide by the terms of this policy. The Town Manager will answer any questions about this policy, implementation procedure, penalties for violation, and other related information about drugs and alcohol in the workplace.

Any employee who is arrested, charged with, or convicted of DUI/DWI has a duty to report such arrest or charge immediately and in writing both to his or her immediate supervisor and to the Town Manager. Failure to do so shall be a neglect of duty constituting good cause for the employees immediate termination. In the case of a conviction of DUI/DWI, an employee must report it to management no later than five days after any such conviction.

Kayenta will impose sanctions on the employee which may include disciplinary actions up to and including termination or require satisfactory participation and completion in a drug abuse assistance rehabilitation program by any employee convicted of a criminal drug statute violation, as provided in 41 U.S.C. § 703.

While on Kayenta premises or while conducting business-related activities off Kayenta premises, employees are not permitted to use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. Kayenta permits the legal use of prescribed drugs on the job only if they do not impair an employee's ability to perform the essential job functions of his or her job effectively and safely without endangering others.

RELIGIOUS USE OF PEYOTE

Federal and Navajo Nation law provides that peyote is not an illegal "drug" or a "controlled substance" when used for sincerely held religious purposes associated with the

Native American Church. Accordingly, it is not a violation of Kayenta drug policies to use peyote privately when participating in Native American Church ceremonies. Kayenta reserves the right to set standards, based upon scientific and medical advice, for a period of time between the religious use of peyote and the performance of duties where such use may impair such performance or the operation of any equipment.

REQUIRED DRUG TESTING

Pre-employment Testing. After an applicant is found to be qualified and a pre-employment offer is made, the applicant must take required drug tests prior to being hired. If an applicant tests positive for alcohol or drugs, Kayenta may require a second test at Kayenta's expense before deciding whether to hire the applicant. If test results are positive, the applicant will not be hired and may not reapply for six months. If an applicant refuses to take a drug or alcohol test or sign an authorization, he or she will not be hired and may not reapply for six months. In addition, with the applicant's authorization, Kayenta will seek information from previous employers for the prior two years of employment on whether the applicant has had a positive drug test, an alcohol test with an alcohol concentration of at least 0.04, or a refusal to be tested.

Testing on Reasonable Suspicion. When an employee's conduct, speech, or other behavior indicates he or she may be under the influence of drugs or alcohol, that employee may be tested, in Kayenta's sole discretion.

Post Accident. Any employee involved in an accident while operating a motor vehicle, equipment, or tool on or related to the job is required to take an alcohol and drug test immediately after the accident. The employee must remain available for such testing or be deemed to have refused to submit to testing.

Random Drug Testing. Random testing is not triggered by a specific event. All Kayenta employees are subject to random drug testing.

Certain Employees. Any employee who handles money or is responsible for the safekeeping of Kayenta Property and who is in a position to convert that Property to his or her own use and any employee operating heavy equipment and/or vehicles may be tested at any time.

Kayenta will use the method and scope of drug testing recommended by the selected laboratory contractor. Random testing will be unannounced. Any employee who is selected for random testing must proceed immediately to the testing site. Any employee testing positive for alcohol, illegal drugs or controlled substances while on or using Kayenta property or while on duty shall be subject to disciplinary action, up to and including termination.

Any employee who violates this policy may be subject to disciplinary action, up to and including immediate termination of employment, along with possible criminal consequences.

An employee with a drug or alcohol problem may request unpaid time off to participate in a rehabilitation or treatment program, if the employee's substance abuse problem has not already resulted in disciplinary action and the employee is not currently subject to disciplinary action. The time off may be granted in the sole discretion of Kayenta if the employee agrees to abstain from using the problem substance; abides by all Kayenta policies, rules and prohibitions relating to conduct in the workplace; and if granting the time off will not cause Kayenta undue hardship or inconvenience.

Policy No. 703

Sexual and Other Unlawful Harassment

The Kayenta Township is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated. We may provide sexual harassment training to ensure you the opportunity to work in an environment free of sexual and other unlawful harassment.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Unwelcome sexual advances (verbal, nonverbal, or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

Any employee experiencing or witnessing sexual or other unlawful harassment in the workplace should report it immediately to his or her supervisor. If the supervisor is unavailable or an employee believes it would be inappropriate to contact that person, he or she must immediately contact the Town Manager or any member of management. Any employee can raise concerns and make reports in good faith without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, confidentiality of the employee who reported the harassment, any witnesses, and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, the employee who raised harassment concerns will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Town Manager or any member of management so that it can be investigated in a timely and confidential manner. Any employee engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Policy No. 704

Attendance and Punctuality

Kayenta Township's hours of operations are 8:00 a.m. to 5:00 p.m., Monday through Friday. All employees are expected to be reliable and punctual by reporting for work on time and as scheduled. In rare instances when an employee cannot avoid being late or are unable to work as scheduled, that employee must notify his or her supervisor as soon as possible so that appropriate arrangements can be made. Poor attendance and tardiness are disruptive, and Kayenta may enforce this policy by disciplinary action up to and including termination.

A work day may be shortened or cancelled for reasons of safety, health or other reasons deemed appropriate by the Town Manager, with or without pay, in his or her sole discretion.

Policy No. 705

Personal Appearance

Kayenta Township employees should reflect an appropriate business image to customers and visitors. How an employee dresses, his or her grooming and personal cleanliness all contribute to that image and also to the morale of co-workers. During business hours or whenever representing the Township, employees are expected to present a clean, neat and tasteful appearance. Employees should always dress and groom themselves according to the requirements of their position and accepted social standards. This is particularly true if a job involves dealing in person with customers or visitors. Employees are required to keep their work areas neat and in conformity with good business practices.

Supervisors are responsible for establishing reasonable dress standards appropriate to the job performed. If a supervisor feels the employee's personal appearance is inappropriate, he or she may send an employee home without pay until that employee can return properly dressed or groomed. Because personal style can be important to people, Kayenta does not want to restrict individual tastes unnecessarily. However, to give additional guidance, employees are expected to follow the personal appearance guidelines below:

- Shoes must provide safe, secure footing, and offer protection against hazards.
- Canvas or athletic type shoes are not appropriate professional attire.
- Tank tops, tube or halter tops, or shorts may not be worn under any circumstances.
- Long hairstyles should be worn with hair pulled back off the face and neck to avoid interfering with job performance, or creating an unsafe condition.
- Offensive body odor and poor personal hygiene is not professionally acceptable.
- Perfume, cologne, and aftershave lotion should be used moderately or avoided altogether, as some individuals may be sensitive to strong fragrances.
- Jewelry should not be functionally restrictive, dangerous to job performance, or excessive.

Policy No. 706

Return of Property

As part of a job, employees may be given temporary possession of Kayenta Property such as the following:

- credit cards
- equipment
- identification badges
- keys
- manuals
- protective equipment
- tools
- uniforms
- vehicles
- cell phone
- laptop and/or other IT equipment

Employees are responsible for the control of Kayenta Property in their possession and are expected to return it promptly when requested or if employment ends. In situation where an employee does not return Kayenta Property, he or she agrees that Kayenta may take steps to recover the item or its cost by withholding the cost of the Property from the employee's regular or final paycheck when allowed by law, or by taking legal action. If legal action is necessary and the Township prevails, the employee shall, and by accepting employment with the Township does agree to, reimburse the Township for its costs and attorney fees incurred in recovering such property.

Resignation

Resignation is a voluntary act initiated by an employee to terminate employment with Kayenta Township. Although there is no requirement that an employee give advance notice, Kayenta requests that an employee give advance notice to help reduce the impact on co-workers and productivity. Nonexempt employees should submit a written notice of resignation at least two weeks in advance and exempt employees should give written notice of resignation at least four weeks in advance of the last day.

Drug Testing

Kayenta Township is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. Job applicants may be asked to provide body substance samples (such as urine and/or blood) to check for the illicit or illegal use of drugs and/or alcohol. An applicant who refuses to submit to drug testing will not be hired and may not apply for a job with the Township for one year. Refusal by an employee to submit to drug testing may result in disciplinary action, up to and including termination of employment.

Problem Resolution

The Kayenta Township is committed to providing good working conditions for employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Kayenta supervisors and management. The Township expects supervisors, managers, and employees to treat each other with mutual respect and encourages employees to offer positive and constructive criticism to each other.

If a situation occurs where an employee believes that a condition of employment or a decision is unjust or inequitable, that employee is encouraged to make use of the following steps. These steps may be discontinued at any time by the employee.

CONFLICT RESOLUTION

Kayenta encourages its supervisors to maintain open communication with employees. Employees who disagree with rules of conduct, policies, or practices must express any concerns in a professional, business-like manner. All attempts should be made to resolve such a conflict by the employee and his or her immediate supervisor. However, if the supervisor is unavailable or the employee believes it would be inappropriate to contact him or her, the employee may

present his or her concerns to the Town Manager in written form.

EMPLOYEE GRIEVANCE

Any employee may initiate a grievance procedure to dispute an adverse action taken against him or her by his or her immediate supervisor. Kayenta shall strive to meet the time tables set forth herein, but will not be bound by them. Further, Kayenta retains the authority to waive, abrogate or modify the time guidelines set forth herein at its sole discretion. However, if an employee reasonably believes that Kayenta's response to a grievance is unduly delayed beyond such guidelines and that such delay is causing his or her significant and irreparable harm, that employee may advance his or her grievance to the next step.

The Township will provide employees with information on the grievance policy and the appropriate grievance form to be used. If an employee fails to proceed to the next step within the time period specified, the grievance is terminated and the employee shall be deemed to have withdrawn it. Kayenta is under no obligation to assist any person in pursuing or defending a grievance and Kayenta may deny relief to any grievant who fails to adhere strictly to these procedures. An employee or supervisor who withholds or falsifies information on grievance documents is subject to disciplinary action, up to and including termination of employment. All employee grievances will be kept confidential to the extent Kayenta deems appropriate in its sole discretion.

Grievances will be handled in an informal manner, without attorneys.

Grievance Steps:

Step One. Informal Meeting with Supervisor. An employee shall request in writing a meeting with his or her supervisor within two working days after an adverse action has been taken to discuss the disciplinary action taken and the reasons therefor. The written request shall include:

- a description of the action that took place;
- the section of Kayenta's policy allegedly violated; and
- the remedy the employee is seeking.

The supervisor should respond and meet with the grieved employee within approximately four working days after receiving the written request for a meeting. Within approximately four working days after the meeting, the supervisor shall typically provide the employee with a copy of a written summary of the meeting, reciting the allegations, any response to those allegations, the policy violated by the employee, if any, and the supervisor's proposed means of resolution of the grievance. The Town Manager shall review the summary for acceptance and implementation of the proposed resolution. If the employee continues to have concerns, he or she may proceed to Step Two.

Step Two. Informal Conference with Hearing Officer. Should the employee decide to pursue the grievance process, he or she shall submit a written request, within two days following receipt of the supervisor's written summary, requesting a meeting with a step-two hearing officer. The written request to proceed to step-two shall include:

- the disciplinary action taken against the employee;
- the reasons given for the discipline; and
- the remedy the employee is seeking.

The Town Manager shall appoint a Township employee or an outside consultant, who is impartial to the grievance matter, to be the hearing officer. The hearing officer will complete a written step-two decision and provide a copy to the employee and his or her immediate supervisor, generally within approximately five working days after the conference. The original decision will be hand delivered or sent to the grievant by first-class mail and filed with the Town Manager. The employee shall have exhausted his or her administrative remedies only after this two-step process is complete.

Policy No. 710

Workplace Etiquette

Kayenta strives to maintain a positive work environment where employees treat each other with respect and courtesy. Sometimes issues can arise when employees may be unaware that their behavior at work may be disruptive or annoying to others. Very often an employee can resolve these day-to-day issues by politely talking with his or her co-worker to bring the issue to his or her attention.

In most cases, common sense will dictate an appropriate resolution. Kayenta encourages all employees to keep an open mind and graciously accept constructive feedback or requests for a change in behavior because of the affect it may have on other employees.

The following are some workplace etiquette guidelines and suggestions to help employees be more conscientious and considerate of fellow co-workers. Any comments, concerns, or suggestions about workplace etiquette may be brought to the attention of the Town Manager.

- Avoid public accusations or criticisms of other employees. Address such issues privately with those involved or with your supervisor.
- Try to minimize unscheduled interruptions of other employees while they are working.
- Employees should be aware of how loud his or her voice is in the workplace and all employees should try to lower the volume of their voices when talking on the telephone or to others in open areas.
- Keep socializing to a minimum and try to conduct conversations in areas where the noise will not distract other employees.

- Refrain from using inappropriate language (e.g., swearing) that others may overhear.
- Avoid discussions of personal issues in public conversations that can be overheard.

Policy No. 711

Lay-Offs

A lay-off may be deemed necessary or desirable by the Town Manager or the Commission if one of the following factors apply: one or more non-vacant positions are eliminated, a shortage of funds, financial distress, or a lack of necessary work. In such an event, an employee may be subject to a non-disciplinary, involuntary separation through a lay-off in accordance with the Navajo Preference in Employment Act, 15 N.N.C. § 604(C)(2) (2005), which provides that any Navajo employee "[s]hall be retained by the employer in the case of a reduction-in-force affecting such class of positions until all non-Navajos employed in that class of positions are laid-off, provided that any Navajo who is laid-off in compliance with this provision shall have the right to displace a non-Navajo in any other employment position for which the Navajo demonstrates the necessary qualifications." The Township will typically give greatest weight in its lay-off decision to relative efficiency, but may also consider other factors in its sole discretion, such as seniority and prior disciplinary record.

Any effected employee will be given written notification as practical of the lay-off and the reason(s) therefor. Except in a case where the Township is undergoing severe financial difficulties or financial distress, the Township shall strive to provide up to two (2) weeks' advance notice of the effective date of the lay-off. Upon receipt of the written notification, the affected employee should consult with his or her supervisor and/or the Human Resources Department to discuss any other terms and conditions of the lay-off affecting the employee, including the employee's right to continue health insurance coverage under COBRA and any assistance that the Township may, in its sole discretion, offer to the employee to find other work. This section provides all the rights to which Township employees are entitled when lay-offs occur (in addition to any rights specifically provided by applicable federal or Navajo law), and no additional rights of employees or obligations of the Township should be assumed or inferred. Lay-off decisions shall not be subject to Township grievance proceedings.

Modification of Policies

The Kayenta Township Commission reserves the right to change, reverse, eliminate or add to any of the policies and/or benefits described in this policy. The only authorized revisions to or deviations from these policies are those duly authorized by the Commission.